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DRAFT 1

SUBSTITUTE FOR  
HOUSE BILL NO. 4356

A bill to make appropriations for the department of military and veterans affairs for the fiscal year ending September 30, 2008; to provide for the expenditure of the appropriations; to provide for certain powers and duties of the department of military and veterans affairs, other state agencies, and local units of government related to the appropriations; and to provide for the preparation of certain reports related to the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for the department of military and veterans affairs for the fiscal year ending September



1 30, 2008, from the funds indicated in this part. The following is a  
 2 summary of the appropriations in this part:

3 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

4 APPROPRIATION SUMMARY:

5	Full-time equated unclassified positions .....	7.0	
6	Full-time equated classified positions .....	1,015.0	
7	GROSS APPROPRIATION .....		\$ 127,979,000
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers .....		1,680,900
11	ADJUSTED GROSS APPROPRIATION .....		\$ 126,298,100
12	Federal revenues:		
13	Total federal revenues .....		54,187,500
14	Special revenue funds:		
15	Total local revenues .....		1,283,900
16	Total private revenues .....		1,463,300
17	Total other state restricted revenues .....		28,428,600
18	State general fund/general purpose .....		\$ 40,934,800
19	<b>Sec. 102. HEADQUARTERS AND ARMORIES</b>		
20	Full-time equated unclassified positions .....	7.0	
21	Full-time equated classified positions .....	123.0	
22	Headquarters and armories--82.5 FTE positions .....		\$ 10,742,500
23	Human resources optimization user charge .....		62,600
24	Unclassified military personnel .....		665,000
25	Military appeals tribunal .....		900
26	Michigan emergency volunteers .....		5,000
27	State active duty .....		90,100



1	Challenge program--40.5 FTE positions .....	4,696,300
2	Homeland security .....	1,000,000
3	Military family relief fund .....	<u>600,000</u>
4	GROSS APPROPRIATION .....	\$ 17,862,400
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG, community health .....	100,000
8	IDG, challenge grant .....	260,000
9	IDG, state police .....	900,000
10	IDG, human services .....	420,900
11	Federal revenues:	
12	DOD-DOA-NGB .....	5,226,900
13	Special revenue funds:	
14	Rental fees .....	350,000
15	Mackinac Bridge authority .....	60,000
16	Private donations .....	819,700
17	Military family relief fund .....	600,000
18	Private - parent pay revenue .....	103,600
19	Local - school aid fund .....	1,283,900
20	State general fund/general purpose .....	\$ 7,737,400
21	<b>Sec. 103. MILITARY TRAINING SITES AND SUPPORT</b>	
22	<b>FACILITIES</b>	
23	Full-time equated classified positions .....	200.0
24	Military training sites and support facilities--	200.0
25	FTE positions .....	\$ 22,944,100
26	Military training sites and support facilities test	
27	projects .....	<u>100,000</u>



1	GROSS APPROPRIATION .....	\$	23,044,100
2	Appropriated from:		
3	Federal revenues:		
4	DOD-DOA-NGB .....		18,746,600
5	Special revenue funds:		
6	Test project fees .....		100,000
7	Regional training institute fund .....		1,500,000
8	State general fund/general purpose .....	\$	2,697,500
9	<b>Sec. 104. DEPARTMENTWIDE APPROPRIATIONS</b>		
10	Departmentwide accounts .....	\$	1,660,100
11	Special maintenance - state .....		151,200
12	Special maintenance - federal .....		5,300,000
13	Military retirement .....		3,048,000
14	Counternarcotic operations .....		50,000
15	Starbase grant .....		957,000
16	GROSS APPROPRIATION .....	\$	11,166,300
17	Appropriated from:		
18	Federal revenues:		
19	DOD-DOA-NGB .....		7,523,100
20	Federal counternarcotic revenues .....		50,000
21	State general fund/general purpose .....	\$	3,593,200
22	<b>Sec. 105. VETERANS SERVICE ORGANIZATIONS</b>		
23	American legion .....	\$	912,600
24	Disabled American veterans .....		754,400
25	Marine corps league .....		346,400
26	American veterans of World War II and Korea .....		478,700
27	Veterans of foreign wars .....		912,600



1	Michigan paralyzed veterans of America .....	170,700
2	Purple heart .....	162,600
3	Veterans of World War I .....	100
4	Polish legion of American veterans .....	42,400
5	Jewish veterans of America .....	42,400
6	State of Michigan council - Vietnam veterans of	
7	America.....	164,300
8	Catholic war veterans .....	<u>42,400</u>
9	GROSS APPROPRIATION .....	\$ 4,029,600
10	Appropriated from:	
11	State general fund/general purpose .....	\$ 4,029,600
12	<b>Sec. 106. GRAND RAPIDS VETERANS' HOME</b>	
13	Full-time equated classified positions .....	517.0
14	Grand Rapids veterans' home--517.0 FTE positions .....	\$ 48,672,800
15	Board of managers .....	<u>665,000</u>
16	GROSS APPROPRIATION .....	\$ 49,337,800
17	Appropriated from:	
18	Federal revenues:	
19	DVA-VHA .....	15,504,500
20	HHS-Medicaid .....	153,500
21	HHS-Medicare .....	1,550,900
22	Special revenue funds:	
23	Private - veterans' home post and posthumous funds ...	415,000
24	Income and assessments .....	14,806,400
25	Military family relief fund .....	250,000
26	Lease revenue .....	12,200
27	State general fund/general purpose .....	\$ 16,645,300



**Sec. 107. D.J. JACOBETTI VETERANS' HOME**

Full-time equated classified positions ..... 159.0

D.J. Jacobetti veterans' home--159.0 FTE positions ... \$ 15,771,000

Board of managers ..... 275,000

GROSS APPROPRIATION ..... \$ 16,046,000

Appropriated from:

Federal revenues:

DVA-VHA ..... 4,479,600

HHS-Medicare ..... 497,600

HHS-Medicaid ..... 10,300

Special revenue funds:

Private - veterans' home post and posthumous funds ... 125,000

Military family relief fund ..... 150,000

Income and assessments ..... 5,300,100

State general fund/general purpose ..... \$ 5,483,400

**Sec. 108. VETERANS' AFFAIRS DIRECTORATE**

Full-time equated classified positions ..... 16.0

Veterans' affairs directorate administration--3.0 FTE

positions ..... \$ 336,500

Veterans' trust fund administration--13.0 FTE

positions ..... 1,222,300

Veterans' trust fund grants ..... 3,746,500

GROSS APPROPRIATION ..... \$ 5,305,300

Appropriated from:

Special revenue funds:

Michigan veterans' trust fund ..... 4,968,800

State general fund/general purpose ..... \$ 336,500



**Sec. 109. INFORMATION TECHNOLOGY**

Information technology services and projects .....	\$	<u>1,187,500</u>
GROSS APPROPRIATION .....	\$	1,187,500
Appropriated from:		
Federal revenues:		
DOD-DOA-NGB .....		116,500
DVA-VHA .....		318,600
HHS-Medicare .....		9,400
Special revenue funds:		
Income and assessments .....		331,100
State general fund/general purpose .....	\$	411,900

**PART 2**

**PROVISIONS CONCERNING APPROPRIATIONS**

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2007-2008 is \$69,363,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2007-2008 is \$120,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

MILITARY TRAINING SITES AND SUPPORT FACILITIES

Payments in lieu of taxes .....	\$	70,000
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MICHIGAN VETERANS' TRUST FUND



1	County counselor travel expenses .....	\$	<u>50,000</u>
2	TOTAL .....	\$	120,000

3       Sec. 202. The appropriations authorized under this act are  
 4 subject to the management and budget act, 1984 PA 431, MCL 18.1101  
 5 to 18.1594.

6       Sec. 203. As used in this act:

7       (a) "Department" means the department of military and veterans  
 8 affairs.

9       (b) "Director" means the director of the department of  
 10 military and veterans affairs.

11       (c) "DOD" means the United States department of defense.

12       (d) "DOD-DOA-NGB" means the DOD department of the army,  
 13 national guard bureau.

14       (e) "DVA" means the United States department of veterans'  
 15 affairs.

16       (f) "DVA-VHA" means the DVA veterans' health administration.

17       (g) "FTE" means full-time equated.

18       (h) "HHS" means the United States department of health and  
 19 human services.

20       (i) "IDG" means interdepartmental grant.

21       Sec. 204. The department of civil service shall bill the  
 22 departments and agencies at the end of the first fiscal quarter for  
 23 the 1% charge authorized by section 5 of article XI of the state  
 24 constitution of 1963. Payments shall be made for the total amount  
 25 of the billing by the end of the second fiscal quarter.

26       Sec. 205. (1) Beginning October 1, a hiring freeze is imposed  
 27 on the state classified civil service. State departments and





1 agencies are prohibited from hiring any new full-time state  
2 classified civil service employees and prohibited from filling any  
3 vacant state classified civil service positions. This hiring freeze  
4 does not apply to internal transfers of classified employees from 1  
5 position to another within a department.

6 (2) The state budget director shall grant exceptions to this  
7 hiring freeze when the state budget director believes that the  
8 hiring freeze will result in rendering a state department or agency  
9 unable to deliver basic services, cause loss of revenue to the  
10 state, result in the inability of the state to receive federal  
11 funds, or necessitate additional expenditures that exceed any  
12 savings from maintaining a vacancy. The state budget director shall  
13 report by the last business day of each month to the chairpersons  
14 of the senate and house of representatives standing committees on  
15 appropriations the number of exceptions to the hiring freeze  
16 approved during the previous month and the justification for the  
17 exception.

18 Sec. 207. Sixty days before beginning any effort to privatize,  
19 the department shall submit a complete project plan to the  
20 appropriate senate and house of representatives appropriations  
21 subcommittees and the senate and house fiscal agencies. The plan  
22 shall include the criteria under which the privatization initiative  
23 will be evaluated. The evaluation shall be completed and submitted  
24 to the appropriate senate and house of representatives  
25 appropriations subcommittees and the senate and house fiscal  
26 agencies within 30 months.

27 Sec. 208. Unless otherwise specified, the department shall use



1 the Internet to fulfill the reporting requirements of this act.

2 This requirement may include transmission of reports via electronic  
3 mail to the recipients identified for each reporting requirement or  
4 it may include placement of reports on an Internet or Intranet  
5 site.

6 Sec. 209. Funds appropriated in part 1 shall not be used for  
7 the purchase of foreign goods or services, or both, if  
8 competitively priced and of comparable quality American goods or  
9 services, or both, are available. Preference should be given to  
10 goods or services, or both, manufactured or provided by Michigan  
11 businesses, if they are competitively priced and of comparable  
12 quality.

13 Sec. 210. The director of each department receiving  
14 appropriations in part 1 shall take all reasonable steps to ensure  
15 businesses in deprived and depressed communities compete for and  
16 perform contracts to provide services or supplies, or both. Each  
17 director shall strongly encourage firms with which the department  
18 contracts to subcontract with certified businesses in depressed and  
19 deprived communities for services, supplies, or both.

20 Sec. 211. The departments and agencies receiving  
21 appropriations in part 1 shall receive and retain copies of all  
22 reports funded from appropriations in part 1. The department shall  
23 follow all federal guidelines and state laws regarding short-term  
24 and long-term retention of records.

25 Sec. 212. (1) Of the funds appropriated in part 1 for military  
26 training sites and support facilities, there shall be established a  
27 Michigan national guard education assistance program. Disbursements



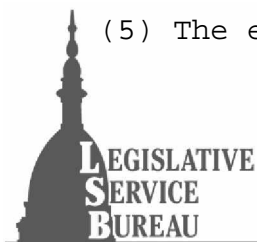
1 to the educational assistance program shall not exceed  
2 \$1,100,000.00 without legislative approval. Under the program, a  
3 member of the national guard who is in active service and who  
4 enrolls as a full- or part-time student at a public or private  
5 state college or university may be eligible to receive up to an  
6 equivalent of 50% of the total cost of tuition not to exceed  
7 \$2,000.00, as education assistance, in any academic year.

8 (2) As used in this section, an eligible person means a member  
9 of the Michigan national guard who is in active service, as defined  
10 in section 105 of the Michigan military act, 1967 PA 150, MCL  
11 32.505. An eligible person does not include a member of the  
12 Michigan national guard or air national guard who is absent without  
13 leave or who is under charges as described in the Michigan code of  
14 military justice of 1980, 1980 PA 523, MCL 32.1001 to 32.1148.

15 (3) The department of military and veterans affairs, office of  
16 the adjutant general shall administer the education assistance  
17 program and prescribe forms and procedures to effectively carry out  
18 the education assistance program.

19 (4) An eligible person shall apply to the department of  
20 military and veterans affairs, office of the adjutant general for  
21 education assistance and shall provide evidence of attendance and  
22 completion of the course of study with a grade of at least 2.0 on a  
23 4.0 scale, or its equivalent. The adjutant general shall approve  
24 the application for reimbursement if the applicant meets the  
25 definition of an eligible person under subsection (2) and other  
26 criteria as established by the adjutant general.

27 (5) The education assistance program applies to any course of



1 instruction that is included in an associate, undergraduate, or  
2 postgraduate degree program offered by a college or university of  
3 this state.

4 (6) The education assistance program applies to an eligible  
5 person notwithstanding any other educational incentive or benefit  
6 received by the eligible person under any other educational  
7 assistance program provided by any other state.

8 (7) An eligible person who successfully completes the course  
9 of study with a grade of at least 2.0 on a 4.0 scale, or its  
10 equivalent, shall be eligible for reimbursement.

11 (8) The department of military and veterans affairs may use  
12 funds from the appropriated funds to administer the education  
13 assistance program.

14 (9) Reimbursed members who do not complete their national  
15 guard obligation shall pay the state for money received from the  
16 state for tuition. Members who fail to repay the state within the  
17 time limits established by the adjutant general shall be indebted  
18 to the state. The department shall work in conjunction with the  
19 department of treasury for inclusion in the tax intercept program  
20 for amounts due the state.

21 (10) A portion of the funds for the Michigan national guard  
22 education assistance program may be used by the department for the  
23 purpose of promoting the program and for encouraging those persons  
24 the department wishes to have enlist or reenlist in the Michigan  
25 national guard.

26 Sec. 213. The department shall consult with the house and  
27 senate appropriations subcommittees on military and veterans



1 affairs regarding the projected closing or consolidation of any  
2 national guard armories.

3 Sec. 214. It is the intent of the legislature that, should the  
4 necessary legislation be enacted and funding become available,  
5 funds be appropriated for state military cemeteries in Crawford and  
6 Dickinson counties.

7 Sec. 221. From the funds appropriated in part 1 for  
8 information technology, departments and agencies shall pay user  
9 fees to the department of information technology for technology-  
10 related services and projects. These user fees shall be subject to  
11 provisions of an interagency agreement between the departments and  
12 agencies and the department of information technology.

13 Sec. 223. Amounts appropriated in part 1 for information  
14 technology may be designated as work projects and carried forward  
15 to support technology projects under the direction of the  
16 department of information technology. Funds designated in this  
17 manner are not available for expenditure until approved as work  
18 projects under section 451a of the management and budget act, 1984  
19 PA 431, MCL 18.1451a.

20 Sec. 225. (1) Due to the current budgetary problems in this  
21 state, out-of-state travel for the fiscal year ending September 30,  
22 2008 shall be limited to situations in which 1 or more of the  
23 following conditions apply:

24 (a) The travel is required by legal mandate or court order or  
25 for law enforcement purposes.

26 (b) The travel is necessary to protect the health or safety of  
27 Michigan citizens or visitors or to assist other states in similar



1 circumstances.

2 (c) The travel is necessary to produce budgetary savings or to  
3 increase state revenues, including protecting existing federal  
4 funds or securing additional federal funds.

5 (d) The travel is necessary to comply with federal  
6 requirements.

7 (e) The travel is necessary to secure specialized training for  
8 staff that is not available within this state.

9 (f) The travel is financed entirely by federal or nonstate  
10 funds.

11 (2) If out-of-state travel is necessary but does not meet 1 or  
12 more of the conditions in subsection (1), the state budget director  
13 may grant an exception to allow the travel. Any exceptions granted  
14 by the state budget director shall be reported on a monthly basis  
15 to the senate and house of representatives standing committees on  
16 appropriations.

17 (3) Not later than January 1 of each year, each department  
18 shall prepare a travel report listing all travel by classified and  
19 unclassified employees outside this state in the immediately  
20 preceding fiscal year that was funded in whole or in part with  
21 funds appropriated in the department's budget. The report shall be  
22 submitted to the chairs and members of the senate and house of  
23 representatives standing committees on appropriations, the senate  
24 and house fiscal agencies, and the state budget director. The  
25 report shall include the following information:

26 (a) The name of each person receiving reimbursement for travel  
27 outside this state or whose travel costs were paid by this state.



1 (b) The destination of each travel occurrence.

2 (c) The dates of each travel occurrence.

3 (d) A brief statement of the reason for each travel  
4 occurrence.

5 (e) The transportation and related costs of each travel  
6 occurrence, including the proportion funded with state general  
7 fund/general purpose revenues, the proportion funded with state  
8 restricted revenues, the proportion funded with federal revenues,  
9 and the proportion funded with other revenues.

10 (f) A total of all out-of-state travel funded for the  
11 immediately preceding fiscal year.

12 Sec. 226. The department shall not take disciplinary action  
13 against an employee for communicating with a member of the  
14 legislature or his or her staff.

15 Sec. 227. Sixty days prior to the public announcement of the  
16 intention to sell any department property, the department shall  
17 submit notification of that intent to the appropriate senate and  
18 house appropriations subcommittees and the senate and house fiscal  
19 agencies.

20 Sec. 228. (1) In addition to the funds appropriated in part 1,  
21 there is appropriated an amount not to exceed \$5,000,000.00 for  
22 federal contingency funds. These funds are not available for  
23 expenditure until they have been transferred to another line item  
24 in this act under section 393(2) of the management and budget act,  
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is  
27 appropriated an amount not to exceed \$2,000,000.00 for state

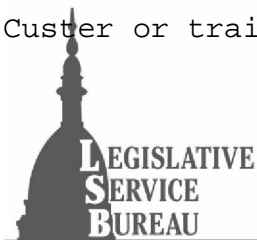


1 restricted contingency funds. These funds are not available for  
2 expenditure until they have been transferred to another line item  
3 in this act under section 393(2) of the management and budget act,  
4 1984 PA 431, MCL 18.1393.

5 (3) In addition to the funds appropriated in part 1, there is  
6 appropriated an amount not to exceed \$100,000.00 for local  
7 contingency funds. These funds are not available for expenditure  
8 until they have been transferred to another line item in this act  
9 under section 393(2) of the management and budget act, 1984 PA 431,  
10 MCL 18.1393.

11 (4) In addition to the funds appropriated in part 1, there is  
12 appropriated an amount not to exceed \$100,000.00 for private  
13 contingency funds. These funds are not available for expenditure  
14 until they have been transferred to another line item in this act  
15 under section 393(2) of the management and budget act, 1984 PA 431,  
16 MCL 18.1393.

17 Sec. 229. There is hereby created and established under the  
18 jurisdiction and control of the department a revolving account to  
19 be known as the regional training institute conference center  
20 account. All of the fees and other revenues generated from the  
21 operation of the regional training institute conference center  
22 shall be deposited in the regional training institute conference  
23 center account. Appropriations shall be made from the account for  
24 the support of program operations and the maintenance and  
25 operations of the regional training institute, the construction and  
26 maintenance of morale, welfare and recreation facilities on Fort  
27 Custer or training areas within Michigan, and shall not exceed the





1 estimated revenues for the fiscal year in which they are made,  
2 together with unexpended balances from prior years. The department  
3 shall submit an annual report of operations and expenditures  
4 regarding the regional training institute conference center account  
5 to the senate and house of representatives standing committees on  
6 appropriations, the senate and house fiscal agencies, and the state  
7 budget director at the end of the fiscal year.

8 Sec. 230. The regional training institute conference center  
9 shall be available, but not limited to, the following:

10 (a) Military personnel.

11 (b) Federal, state, and local government agencies.

12 (c) Educational institutions.

13 (d) Nonprofit corporations or associations organized pursuant  
14 to the nonprofit corporation act, 1962 PA 162, MCL 450.2101 to  
15 450.3192.

16 (e) Community service clubs.

17 (f) Groups of persons with disabilities.

18 (g) Members of the legislature for the purposes related to the  
19 business of the legislature.

20 (h) Entities and organizations that wish to use the conference  
21 center to host an event that have a military or public safety  
22 related agenda.

## 23 HEADQUARTERS AND ARMORIES

24 Sec. 301. The department may charge reasonable rental and  
25 equipment usage fees for renting an armory or using the distance  
26 learning network. The fee shall include the cost of overtime



1 compensation, insurance coverage, and any maintenance required.

2       Sec. 302. (1) The funds appropriated in this act for private  
3 donations to the challenge program shall be considered state  
4 restricted revenue, and unexpended funds remaining at the close of  
5 the fiscal year shall not lapse to the general fund but shall be  
6 carried forward to the subsequent fiscal year.

7       (2) The department may charge a parent or guardian of a  
8 participant in the challenge program a fee for participating in the  
9 program if the participant is a member of a family with an income  
10 that exceeds 200% of the federal poverty guidelines as published by  
11 the United States department of health and human services. The  
12 amount charged the parent or guardian shall not exceed the per-  
13 student state share cost of administering the program. The parent  
14 or guardian shall be notified of any charge to be assessed under  
15 this subsection prior to enrollment of the child in the program.

16       Sec. 304. The department will partner with the department of  
17 human services to identify youth who may be eligible for the  
18 challenge program from those youth served by department of human  
19 services programs. These eligible youth shall be given priority for  
20 enrollment in the program.

#### 21 **VETERANS SERVICE ORGANIZATIONS**

22       Sec. 501. (1) Money appropriated in part 1 for grants to  
23 veterans service organizations shall be used only for salaries,  
24 wages, related personnel costs, training, and equipment for  
25 accredited veteran service advocacy officers and necessary support  
26 and managerial staff. Training shall be provided for service



1 advocacy officers and shall be conducted by accredited advocacy  
2 officers.

3 (2) To receive a grant from the money appropriated in part 1,  
4 a veterans service organization shall meet the following  
5 eligibility requirements:

6 (a) Be congressionally chartered by the United States  
7 congress.

8 (b) Be an active participating member of the Michigan veterans  
9 organizations' rehabilitation and veterans service committee and  
10 abide by its rules, guidelines, and programs.

11 (c) Demonstrate the receipt of monetary or service support  
12 from its own organization.

13 (d) Comply with the department's and the legislature's  
14 requirements of accounting audits, service work activity,  
15 accounting of recoveries, listing of volunteer hours, budget  
16 requests, and other requirements specified in subsection (3).

17 (e) For a veterans service organization founded after  
18 September 30, 1989, be in operation and providing service to  
19 Michigan veterans for not less than 2 years before receiving an  
20 initial state grant. During this 2-year period of time, the  
21 organization shall file a listing of service work activity and an  
22 accounting of recoveries with the department, the senate and house  
23 fiscal agencies, the senate and house of representatives  
24 appropriations subcommittees on military affairs, and the state  
25 budget office on forms as prescribed by the department.

26 (3) A veterans service organization receiving a grant from the  
27 money appropriated in part 1 shall file with the department an



1 accounting of its expenditures, audited and certified by a  
2 certified public accountant, within 120 days after the  
3 organization's fiscal year end. Each organization shall provide a  
4 detailed budget request for the fiscal year ending September 30,  
5 2009 to the department by November 15, 2007. Each veterans service  
6 organization shall provide 5 copies of a listing of all service  
7 activity, an accounting of recoveries, and a listing of volunteer  
8 hours for the fiscal year ending September 30, 2007 to the  
9 department by January 31, 2008. The listing of volunteer hours  
10 shall include the hours, services, and donations provided to  
11 residents of the Grand Rapids veterans' home and the D.J. Jacobetti  
12 veterans' home. Each veterans service organization shall provide a  
13 copy of the most recent and completed internal revenue service form  
14 990 to the department at the end of the fiscal year ending  
15 September 30, 2007. A veterans service organization receiving a  
16 grant from the money appropriated in part 1 shall use the forms  
17 recommended by the Michigan veterans organizations rehabilitation  
18 and veterans service committee for filing reports required by this  
19 act. The department shall forward information required under this  
20 section to the senate and house fiscal agencies, the senate and  
21 house of representatives appropriations subcommittees on military  
22 affairs, and the state budget office.

23 (4) The veterans service directors committee and the  
24 department shall take steps to improve the coordination of veterans  
25 benefits counseling in the state to maximize the effective and  
26 efficient use of taxpayer dollars in this goal and to ensure that  
27 every veteran is served.



1           (5) To accomplish the goal of subsection (4), the veterans  
2 service directors committee and the department shall take steps to  
3 increase their responsibility in the administration, management,  
4 oversight, and outreach of the delivery of services to veterans.  
5 The veterans service directors committee and the department shall  
6 involve county veterans counselors and representatives from the  
7 Michigan veterans trust fund to work in concert to identify,  
8 implement, and evaluate steps to do all of the following:

9           (a) Increase the veterans service directors committee and the  
10 department's role in working directly with the United States  
11 department of veterans' affairs to enhance the delivery of services  
12 to Michigan veterans.

13           (b) Increase the number of initial claims filed with the  
14 United States department of veterans' affairs on behalf of veterans  
15 for service-connected disability or pension benefits. The veterans  
16 service directors committee and the department may work toward  
17 either an absolute increase of approved claims or an increase in  
18 the percentage of Michigan veterans with approved claims.

19           (c) Develop methods to increase rates of recovery paid by the  
20 United States department of veterans' affairs to Michigan veterans  
21 either by an increase in compensation paid per approved claim or  
22 increase in compensation paid on a per capita basis.

23           (d) Expand training opportunities for veterans service  
24 organization service officers.

25           (e) Increase either the number or percentage of Michigan  
26 veterans enrolled in the veterans administration health care  
27 system.



1 (f) Publicize the availability, benefit, and value of burial  
2 in the Fort Custer and Great Lakes national cemeteries.

3 (g) Review each grant recipient's performance under the  
4 program and require that performance be a major consideration in  
5 the future funding of each grant recipient.

6 (h) Identify areas of redundancy which may exist among  
7 services provided by veterans service organizations grantees,  
8 Michigan veterans trust fund county committees, and county veterans  
9 counselors and provide a proposal on how any redundancies may be  
10 minimized and identify specific cost savings which could result.

11 (6) The veterans service directors committee and the  
12 department shall create a report of the efforts to complete the  
13 goals outlined in this section and shall provide suggestions on how  
14 a more effective and efficient veterans' benefits counseling  
15 program may best be designed for implementation for fiscal year  
16 2008-2009. This report shall be delivered to the house and senate  
17 appropriations subcommittees no later than March 1, 2008.

#### 18 **VETERANS' HOMES**

19 Sec. 601. Appropriations in this act for the Grand Rapids  
20 veterans' home and the D.J. Jacobetti veterans' home shall not be  
21 used for any purpose other than for veterans and veterans'  
22 families.

23 Sec. 602. The Grand Rapids veterans' home and the D.J.  
24 Jacobetti veterans' home, together with the department and the  
25 department of management and budget, shall produce and deliver to  
26 the senate and house of representatives appropriations



1 subcommittees on state police and military affairs an annual  
 2 written report. The report shall include an accounting of member  
 3 populations and bed space available; a description and accounting  
 4 of services and activities provided to members; financial  
 5 information; current state nursing home licensure status; the steps  
 6 required for Medicaid certification, including a listing of any  
 7 personnel, equipment, supplies, or budgetary increases required;  
 8 and whether or not steps are being taken toward Medicaid  
 9 certification. The annual report shall be submitted to the senate  
 10 and house of representatives appropriations subcommittees on  
 11 military affairs no later than February 1, 2008.

12       Sec. 603. The money appropriated in this act for the boards of  
 13 managers may be expended for facility improvements, the purchase  
 14 and repair of equipment and furnishings, member services, and other  
 15 purposes that benefit the Grand Rapids veterans' home and the D.J.  
 16 Jacobetti veterans' home.

#### 17 **VETERANS' TRUST FUND**

18       Sec. 703. By April 1, 2008, the department shall submit to the  
 19 senate and house of representatives appropriations subcommittees on  
 20 military affairs and the state budget office a detailed annual  
 21 report of the Michigan veterans' trust fund for fiscal year 2006-  
 22 2007. The report shall include information on grants provided from  
 23 the emergency grant program, including details concerning the  
 24 methodology of allocations, the selection of emergency grant  
 25 program authorized agents, and a detailed breakdown of trust fund  
 26 expenditures for that year. The report shall also provide an update



1 on the department's efforts to reduce program administrative costs  
2 and restore the Michigan veterans trust fund corpus to its original  
3 amount of \$50,000,000.00.

4       Sec. 704. The Michigan veterans affairs directorate  
5 administration and the Michigan veterans' trust fund administration  
6 shall take steps to assist the county veterans counselors of the  
7 state to obtain training necessary for the execution of their  
8 duties.

